

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF INDIANA  
NEW ALBANY DIVISION

IN RE:	)	Chapter 11
	)	
EASTERN LIVESTOCK CO., LLC,	)	Case No. 10-93904-BHL-11
	)	
Debtor.	)	Hon. Basil H. Lorch III

**SIXTH INTERIM APPLICATION OF DEVELOPMENT SPECIALISTS, INC. FOR  
COMPENSATION AND REIMBURSEMENT OF EXPENSES  
AS CONSULTANT FOR JAMES A. KNAUER, CHAPTER 11 TRUSTEE**

James A. Knauer, the chapter 11 trustee (the "Trustee") appointed in this case, files this sixth interim application (the "Application") on behalf of Development Specialists, Inc. ("DSI") for the allowance and payment of DSI's fees as consultant for James A. Knauer, the chapter 11 trustee (the "Trustee") appointed in Eastern Livestock Co., LLC and for reimbursement of out-of-pocket expenses incurred on behalf of the Trustee.

**This is an interim fee request application. Any award of fees and costs of this Application by the Court is without prejudice to the rights of any party in interest to object to the final award of the fees and costs requested herein or to maintain any prior objection to previous interim awards of fees and costs to DSI. Any order approving this Application shall state that the interim award is without prejudice to the rights of any party in interest to object to a final fees and costs award whether an objection to an interim application was filed or not filed.**

In support of this Application, the Trustee states as follows:

1. Certain petitioning creditors commenced the above-captioned chapter 11 case ("Chapter 11 Case") against Debtor on December 6, 2010 ("Petition Date") by filing an involuntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. ("Bankruptcy Code"). This Court entered the *Order For Relief In An Involuntary Case And Order To Complete Filing* [Docket #110] on December 28, 2010.

2. On December 27, 2010, the Court entered the *Order Approving The Appointment Of James A. Knauer As Chapter 11 Trustee* [Docket #102] ("Trustee Order"), approving the United States Trustee's *Notice Of Appointment And Application for Order Approving Appointment of Trustee* [Docket #98] pursuant to 11 U.S.C. § 1104.

3. This Court, by order dated February 8, 2011 [Docket #257], approved the Trustee's retention of DSI as the Trustee's consultant.

4. On December 17, 2012, the Court entered *Finding of Fact, Conclusion of Law, and Order Under 11 U.S.C. §1129 (a) and (b) And FED.R.BANKR.P.3020 Confirming Trustee's First Amended Chapter 11 Plan of Liquidation as Immaterially Modified* [Docket#1644].

5. This Application is the sixth interim application filed on behalf of DSI seeking compensation and reimbursement of out-of-pocket expenses incurred by the consultant for the Trustee for the period October 1, 2013 through and including September 30, 2014.

6. As consultant to the Trustee, DSI performed a variety of services, all of which are described in detail in the time entries attached as Exhibit A. The services performed by DSI for and on behalf of the Trustee include, but are not limited to, the following categories:

- a. Fee Application/Client Billing. DSI prepared an amended fifth interim fee application. DSI spent a total of 3.30 hours at a total cost of \$1,375.50 in connection with this category.
- b. Attend Court Hearings/Review Pleadings. DSI reviewed objections to the fifth interim fee application and telephonically attended the relevant hearing regarding same. DSI spent a total of 0.30 hours at a total cost of \$118.50 in connection with this category.
- c. Collection of Notes Receivable. DSI researched information related to a variety of outstanding notes receivable including tracing cash receipts and disbursements

activity to support note receivable balances due to the Debtor. DSI spent 6.50 hours for a total of \$2,567.50 in connection with this category.

- d. Managing Business Operations. DSI maintained the Debtor's rental office, supervised remaining staff, including review and co-ordination of weekly payroll processing. DSI spent 15.10 hours for a total cost of \$3,768.00 in connection with this category.
- e. Litigation Support. DSI researched and responded to numerous requests from counsel relating to various litigation matters and including responding to subpoena requests. DSI spent 268.30 hours for a total cost of \$105,326.00 for assisting with this category.
- f. Litigation Support Nichols. DSI, as designated by the Chapter 11 Trustee, prepared for the 30(B)(6) deposition related to the Robert Nichols/Nichols Livestock adversary. DSI spent 81.60 hours for a total cost of \$32,232.00 for assisting with this category.
- g. Litigation Support Edens. DSI, as designated by the Chapter 11 Trustee, prepared for the 30(B)(6) deposition related to the James Edward Edens, IV/E4 Cattle Company adversary. DSI spent 144.40 hours for a total cost of \$55,982.50 for assisting with this category.
- h. Travel at one-half. DSI consultants charged travel time at one-half of the regular hourly rate for travel to and from sites of business. DSI spent 28.00 hours for a total cost of \$5,530.00.

7. DSI has reviewed its detailed time entries, and has attempted to eliminate double billing for conference time between DSI's timekeepers, except where the participation of the timekeepers has demonstrable benefit to the estate. Where possible and efficient, DSI encourages the use of lesser

billing rate consultants to perform labor intensive tasks, with oversight and review by more experienced consultants.

8. Exhibit A provides the detail of the time entries for each DSI consultant who has performed services in this case. A summary of the fees requested by DSI for each consultant and the number of hours worked for each individual, the billing rate requested and the total fees claimed is set forth below.

<b>Consultant</b>	<b>Hours</b>	<b>Hourly Rate</b>	<b>Total</b>
P. O'Malley – 2014	.40	575.00	230.00
S. L. Cuff – 2013	6.20	240.00	1,488.00
S. L. Cuff – 2014	20.30	250.00	5,075.00
E. M. Lynch-travel @ 1/2	28.00	197.50	5,530.00
E. M. Lynch	492.60	395.00	194,577.00
	547.50		206,900.00

9. DSI has incurred and advanced the sum of \$6,119.88 for out-of-pocket expenses incurred in connection with this case on behalf of the Trustee during the period from October 1, 2013 through and including September 30, 2014. A summary of the out-of-pocket expenses incurred by DSI is set forth in Exhibit B.

10. DSI established certain category codes that cause related time to be grouped together to facilitate the review of the firm's requested fees by the Court, the United States Trustee, and creditors. Set forth below is a summary of the aggregate billings under the established categories for the period October 1, 2013 through and including September 30, 2014.

<b>Category Name</b>	<b>Hours</b>	<b>Value</b>
Fee Application/Client Billing	3.30	1,375.50
Attend Court Hearings/Review Pleadings	.30	118.50
Collection of Notes Receivable	6.50	2,567.50
Managing Business Operations	15.10	3,768.00
Litigation Support	268.30	105,326.00
Litigation Support Nichols	81.60	32,232.00
Litigation Support Edens	144.40	55,982.50
Travel at one-half	28.00	5,530.00
<b>GRAND TOTALS</b>	<b>547.50</b>	<b>\$206,900.00</b>

11. Prior to the filing of the involuntary bankruptcy, Eastern Livestock had been placed in a state court receivership (November 10, 2010), Elizabeth M. Lynch of DSI was named Receiver and DSI was named the Receiver's financial advisor. After the involuntary bankruptcy, Ms. Lynch of DSI was appointed as Custodian until the Trustee was appointed. The Receiver and DSI filed a fee application for the period between the filing of the involuntary bankruptcy and the date of the appointment of the Trustee ("the Custodial Period") on February 9, 2011. Payment for the Custodial Period fee application, comprised of \$160,023.50 for fees and reimbursement of \$15,699.30 for expenses, has been received by DSI.

12. DSI filed its First Interim Fee Application on June 2, 2011. Payment in full for the first interim fee application, comprised of \$816,837.00 for fees and reimbursement of \$89,422.48 for expenses, has been received by DSI.

13. DSI filed its Second Interim Fee Application on November 11, 2011. Payment in full for the second interim fee application, comprised of \$468,708.75 for fees and reimbursement of \$54,610.91 for expenses, has been received by DSI.

14. DSI filed its Third Interim Fee Application on November 21, 2012. Payment in full for the third interim fee application, comprised of \$935,821.25 for fees and reimbursement of \$40,787.03 for expenses, has been received by DSI.

15. DSI filed its Fourth Interim Fee Application on May 17, 2013 comprised of \$323,625.00 for fees and reimbursement of \$1,048.20 for expenses which pursuant to court order was paid at 80% for fees and 100% for expenses. DSI has received payment of \$258,900.00 of allowed fees and \$1,048.20 of allowed expenses. Payments on interim fee awards from the Fourth Interim Fee Application forward shall be subject to the same 20% holdback, which holdback may be paid upon approval of the final fee application.

16. DSI filed its Fifth Interim Fee Application on December 4, 2013 comprised of \$235,952.50 for fees and reimbursement of \$1,917.00 for expenses which pursuant to court order was

approved at 80% for fees (\$188,762.00) and 100% for expenses (\$1,917.00). DSI has received payment of \$126,102.07 of allowed fees and \$1,917.00 of allowed expenses.

17. This Application is the sixth application of DSI since its appointment as consultant for the Trustee in this case.

18. No agreement or understanding exists between DSI and any other person or entity for the sharing of compensation received for services rendered in connection with this case.

19. All services rendered and all expenses incurred for which compensation or reimbursement is sought have been rendered or incurred exclusively on behalf of the Trustee and represent necessary and proper financial advisory services in the administration of this chapter 11 case.

WHEREFORE, DSI requests (i) the Court to award an allowance of compensation on an interim basis for consulting fees in the amount of Two Hundred Six Thousand, Nine Hundred and 00/100 Dollars (\$206,900.00) plus reimbursement for out-of-pocket expenses incurred in the amount of Six Thousand One Hundred Nineteen and 88/100 Dollars (\$6,119.88), (ii) award payment of the requested fees at 80% and payment of the requested expenses at 100%, and (iii) grant DSI all other just and proper relief.

Respectfully submitted,

KROGER, GARDIS & REGAS, LLP

By: /s/ James A. Knauer

James A. Knauer  
111 Monument Circle, Suite 900  
Indianapolis, Indiana 46204-5125  
Telephone: 317-692-9000  
Facsimile: 317-777-7451  
jak@kgrlaw.com

*Chapter 11 Trustee on behalf of Consultant,  
Development Specialists, Inc.*

**CERTIFICATE OF SERVICE**

I hereby certify that on November 17, 2014, a copy of the foregoing pleading was filed electronically. Notice of this filing will be sent to the following parties through the Court's Electronic Case Filing System. Parties may access this filing through the Court's system.

David L. Abt  
davidabt@mwt.net

Kay Dee Baird  
kbaird@kdlegal.com

C. R. Bowles, Jr  
cbowles@bgdlegal.com

Kent A Britt  
kabritt@vorys.com

Lisa Koch Bryant  
courtmail@fbhlaw.net

Deborah Caruso  
dcaruso@daleeke.com

Joshua Elliott Clubb  
joshclubb@gmail.com

Jack S. Dawson  
jdawson@millerdollarhide.com

David Alan Domina  
dad@dominalaw.com

Shawna M. Eikenberry  
shawna.eikenberry@faegrebd.com

Robert Hughes Foree  
robertforee@bellsouth.net

Thomas P. Glass  
tpglass@strausstroy.com

Paul M. Hoffman  
paul.hoffmann@stinsonleonard.com

Jeffrey L Hunter  
jeff.hunter@usdoj.gov

Todd J. Johnston  
tjohnston@mcjllp.com

Edward M King  
tking@fbtlaw.com

Theodore A. Konstantinopoulos  
ndohbky@jbandr.com

David L. LeBas  
dlebas@namanhowell.com

Elliott D. Levin  
edl@rubin-levin.net

Karen L. Lobring  
lobring@msn.com

Amelia Martin Adams  
aadamsm@dlgfir.com

Christopher E. Baker  
cbaker@thbklaw.com

David W. Brangers  
dbrangers@lawyer.com

Kayla D. Britton  
kayla.britton@faegrebd.com

John R. Burns, III  
john.burns@faegrebd.com

Ben T. Caughey  
ben.caughey@icemiller.com

Jason W. Cottrell  
jwc@stuartlaw.com

Dustin R. DeNeal  
dustin.deneal@faegrebd.com

Daniel J. Donnellon  
ddonnellon@ficlaw.com

Jeffrey R. Erler  
jerler@ghjhlaw.com

Sandra D. Freeburger  
sfreeburger@dsf-atty.com

Patrick B. Griffin  
patrick.griffin@kutakrock.com

John David Hoover  
jdhoover@hooverhull.com

Jay Jaffe  
jay.jaffe@faegrebd.com

Jill Zengler Julian  
Jill.Julian@usdoj.gov

James A. Knauer  
jak@kgirlaw.com

Randall D. LaTour  
rdlatour@vorys.com

Martha R. Lehman  
mlehman@kdlegal.com

Kim Martin Lewis  
kim.lewis@dinslaw.com

Jason A. Lopp  
jlopp@wyattfirm.com

John W. Ames  
james@bgdlegal.com

Robert A. Bell  
rabell@vorys.com

Steven A. Brehm  
sbrehm@bgdlegal.com

Joe Lee Brown  
Joe.Brown@Hardincounty.biz

John R. Carr, III  
jrciii@acs-law.com

Bret S. Clement  
bclement@acs-law.com

Kirk Crutcher  
kcrutcher@mcs-law.com

Laura Day Delcotto  
ldelcotto@dlgfir.com

Trevor L. Earl  
tearl@rswvlaw.com

William K. Flynn  
wkflynn@strausstroy.com

Melissa S. Giberson  
msgiberson@vorys.com

Terry E. Hall  
terry.hall@faegrebd.com

John Huffaker  
john.huffaker@sprouselaw.com

James Bryan Johnston  
bjtexas59@hotmail.com

Jay P. Kennedy  
jpk@kgirlaw.com

Erick P. Knoblock  
eknoblock@daleeke.com

David A. Laird  
david.laird@moyewhite.com

Scott R. Leisz  
sleisz@bgdlegal.com

James B. Lind  
jblind@vorys.com

John Hunt Lovell  
john@lovell-law.net

Harmony A. Mappes  
harmony.mappes@faegrebd.com

Kelly Greene McConnell  
lisahughes@givenspursley.com

William Robert Meyer, II  
rmeyer@stites.com

Allen Morris  
amorris@stites.com

Matthew Daniel Neumann  
mneumann@hclaw.com

Matthew J. Ochs  
kim.maynes@moyewhite.com

Ross A. Plourde  
ross.plourde@mcafeetaft.com

Timothy T. Pridmore  
tpridmore@mcjllp.com

Eric W. Richardson  
ewrichardson@vorys.com

Mark A. Robinson  
mrobinson@vhrlaw.com

Joseph H. Rogers  
jrogers@millerdollarhide.com

Nicole R. Sadowski  
nsadowski@thbklaw.com

Ivana B. Shallcross  
ishallcross@bgdlegal.com

James E. Smith, Jr.  
jsmith@smithakins.com

Joshua N. Stine  
kabritt@vorys.com

Meredith R. Theisen  
mtheisen@daleeke.com

Christopher M. Trapp  
ctrapp@rubin-levin.net

Andrew James Vandiver  
avandiver@aswdlaw.com

Charles R. Wharton  
Charles.R.Warton@usdoj.gov

Jason P. Wischmeyer  
jason@wischmeyerlaw.com

John Frederick Massouh  
john.massouh@sprouselaw.com

James Edwin McGhee  
mcghee@derbycitylaw.com

Kevin J. Mitchell  
kevin.mitchell@faegrebd.com

Judy Hamilton Morse  
judy.morse@crowedunlevy.com

Walter Scott Newbern  
wsnewbern@msn.com

Jessica Lynn Olsheski  
jessica.olsheski@justice-law.net

Brian Robert Pollock  
bpollock@stites.com

Anthony G. Raluy  
traluy@fbhlaw.net

Joe T. Roberts  
jratty@windstream.net

Jeremy S. Rogers  
Jeremy.Rogers@dinslaw.com

James E. Rossow  
jim@rubin-levin.net

Thomas C. Scherer  
tscherer@bgdlegal.com

Sarah Elizabeth Sharp  
sarah.sharp@faegrebd.com

William E. Smith, III  
wsmith@k-glaw.com

Andrew D. Stosberg  
astosberg@lloydmc.com

John M. Thompson  
john.thompson@crowedunlevy.com

Chrisandrea L. Turner  
clturner@stites.com

Andrea L. Wasson  
andrea@wassonthornhill.com

Sean T. White  
swhite@hooverhull.com

James T. Young  
james@rubin-levin.net

Michael W. McClain  
mmclain@mcclaindeweese.com

Brian H. Meldrum  
bmeldrum@stites.com

Terrill K. Moffett  
kendalcantrell@moffettlaw.com

Erin Casey Nave  
enave@taftlaw.com

Shiv Ghuman O'Neill  
shiv.oneill@faegrebd.com

Michael Wayne Oyler  
moyler@rwsvlaw.com

Wendy W. Ponader  
wendy.ponader@faegrebd.com

Eric C. Redman  
ksmith@redmanludwig.com

David Cooper Robertson  
crobertson@stites.com

John M. Rogers  
johnr@rubin-levin.net

Steven Eric Runyan  
ser@kgirlaw.com

Stephen E. Schilling  
seschilling@strausstroy.com

Suzanne M Shehan  
suzanne.shehan@kutakrock.com

Amanda Dalton Stafford  
ads@kgirlaw.com

Matthew R. Strzynski  
indyattorney@hotmail.com

Kevin M. Toner  
kevin.toner@faegrebd.com

U.S. Trustee  
ustpreregion10.in.ecf@usdoj.gov

Jennifer Watt  
jwatt@kgirlaw.com

Michael Benton Willey  
michael.willey@ag.tn.gov

John D Dale, Jr.  
Johndaleatty@msn.com



I further certify that on November 17, 2014, a copy of the foregoing pleading was served via electronic mail transmission on the following:

Thomas Richard Alexander, II  
tra@rgba-law.com

/s/ James A. Knauer